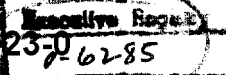


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6 September 1949

~~CONFIDENTIAL~~

MEMORANDUM

TO : Executive

VIA : ADSO  
Budget Officer

FROM : Confidential Funds Branch

SUBJECT: Shortage of Funds at the [REDACTED]

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1. On 13 July 1949 this branch brought to your attention the shortage which appeared in the accounts of the [REDACTED] Base of the [REDACTED] Station during October 1948, amounting in U.S. Dollar Value to \$664.12. However, no final review or recommendations could be made until [REDACTED] who was Chief of [REDACTED] returned to Washington to make his statement of facts surrounding the apparent shortage.

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2. By endorsement to the memo from the Budget Officer dated 1 August 1949 re this subject, the Director requested that further recommendation be made relative to the shortage on or before 1 September 1949.

3. We are submitting for your review the entire folder of the documents concerning this case which we list below:

- (a) Memo from Chief of Station, [REDACTED] to Chief FBM, dated 20 April 1949, wherein, the apparent shortage was initially brought to light with his request to write off the loss due to the abnormal pressure placed upon the station at that time.
- (b) Transmittal by Chief of Station, [REDACTED] of report of investigation made by [REDACTED] Administrative Assistant to Chief of Station.
- (c) Statement by [REDACTED] dated 25 August 1949 of facts surrounding shortage, together with a statement by [REDACTED] Administrative Assistant [REDACTED] of pressures and confusion existing at [REDACTED] during the period of the shortage.

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Document No. 18

No Change in Class. ☐

[REDACTED]

Classified by: [REDACTED] S (C)

Date: 26 SEP 1978 By: [REDACTED]

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4. To briefly summarize the lengthy documentation, it appears that this shortage resulted from lack of qualified trained administrative personnel, abnormal volume of work, priority emergencies, excessive pressure for exactness in details of expense classification, lack of control over custody and expenditure of funds, and complete misunderstanding by various members of the mission of proper supporting receipts and records covering expenditures.

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5. It does appear, however, that the [REDACTED] had brought to the attention of its headquarters at [REDACTED] these conditions, requesting relief by assignment of additional trained administrative personnel. Considering the statements as presented, there seems to have been no malfeasance, negligence or fraud directly resulting in this shortage.

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6. Though the original shortage appearing in October 1948 as reported by our memo dated 11 July 1949 was \$664.12 there has been found several discrepancies in that amount by the investigation of [REDACTED]

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Further, her investigation carried through 31 May 1949 reveals additional overages and shortages in each kind of currency. A recap of the discrepancies determined in the investigation are as follows:

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20 July 48 - 20 Jan 49	short 1,336.71	over 338.18	over 6,170
20 Jan 49 - 31 May 49	short 9.31	short 318.19	short 7,170

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Net Discrepancies	short 1,346.02	over 19.99	short 1,000
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@ \$.30

@ \$.02

The dollar value of the shortage for the entire period amounts to \$1,360.02.

7. Supplementary comments and the recommendation of the undersigned are presented in a separate memorandum attached.

8. On the basis of the information presented, it is requested that a review of the facts be made and a recommendation be presented to the Director in accordance with Confidential Funds Branch regulations paragraph 1.4(c) revised dated 17 June 1949, for his decision as to the culpability of any individual or individuals and/or his authorization to properly dispose of the net shortage of \$1,360.02.

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Chief, Confidential Funds Branch

Attachment

cc: ADSO,

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